

February 2, 2007

#### 1120 Stakeholders

We are posting the Production version (2006v3.3) of the Tax Year (TY) 2006 **Forms 1120 and 1120S** XML schemas and Business Rules on the [www.irs.gov](http://www.irs.gov) website (referred to as Release 4.0). These schemas and business rules contain changes since the January 11, 2007 posting.

Please note: Use version 2006v3.0, 2006v3.1 or 2006v3.2 to submit Production returns until we notify you that 2006v3.3 has been installed in Production. At that time, versions 2006v3.0, 2006v3.1, 2006v3.2 and 2006v3.3 will be active. Schema validation will use version 2006v3.3 but you will determine which version to support.

**Forms 1120 and 1120S** XML schemas and Business Rules 2006v3.3 are scheduled to be installed into ATS and Production on February 25, 2007 for transmitting through the EMS, A2A, and IFA channels.

#### XML Schemas

##### 1120/1120S

The TY 2006 Production schemas include all tax forms and schedules for Forms 1120 and 1120S. Schema version 2006v3.3 is posted to the Production System and ATS System charts at <http://www.irs.gov/efile/article/0,,id=128360,00.html>. Also included are "Diff Files" showing changes from the previous schema versions.

Note: The Instance Document contained in the schema files is viewable with any generic MIME-reader. Found within the 1120 folder, the Instance Document contains an example 1120 transmission.

The **Production System** table contains the current valid schemas for Forms 1120, 1120S and 7004. Forms 1120 and 1120S schemas are still being used to process TY 2004, TY2005 and TY2006 tax returns. Form 7004 schemas are being used to process TY 2005 and TY2006 timely-filed extensions.

#### Business Rules

##### 1120/1120S

Release 4.0 Form 1120/1120S Business Rules for TY 2006 version 2006v3.3 is posted in two different formats containing identical information – Adobe (.PDF), and Comma Separated File (.CSV). A column within the file identifies key changes made from the last posted version of the business rules. The new rules are posted to the **Production** and **ATS System** charts at <http://www.irs.gov/efile/article/0,,id=128360,00.html>.

As with the XML schemas, current valid Business Rules for TY 2004, TY 2005 and TY2006 are shown in the **Production System** table.

#### **REMINDERS:**

The following Business Rules are disabled in MeF.

- F1120-232 - (1120) Tax Year 2006
- F1120-288 - (1120) Tax Year 2006
- F1120-289 - (1120) Tax Year 2006
- F3800-066 - (1120) Tax Year 2006
- F3800-083 - (1120) Tax Year 2006
- F3800-085 - (1120) Tax Year 2006
- F3800-087 - (1120) Tax Year 2006
- F3800-091 - (1120) Tax Year 2006
- R0000-040 - (1120, 1120S, 7004) Tax Year 2005

The Forms and Publications Office is in the process of revising Form 8886. At this time it is not ready for distribution, thus we have removed the Form 8886 schema. When Form 8886 is ready for distribution, we will update the schema as soon as possible. However, we can accept the **updated** Form 8886 in pdf if necessary.

As a reminder, please see the Large and Mid-Size Business Corporation (LMSB) website for special instructions and interim procedures for taxpayers required to efile at:  
<http://www.irs.gov/businesses/corporations/article/0,,id=147101,00.html>.

As always if you have any questions or comments, please contact us through the Topica group or the ETA 1120 Team at [1120@irs.gov](mailto:1120@irs.gov). You can also contact Xan Ostro at (202) 283-7697 or Joan Barr from the ETA team at (415) 382-9039. For questions on 7004, you can contact Linda Lateef from the ETA team at (202) 283-0014.